

LEGISLATURE OF NEBRASKA

ONE HUNDRED FIRST LEGISLATURE

FIRST SESSION

**LEGISLATIVE BILL 234**

Introduced by Adams, 24.

Read first time January 13, 2009

Committee: Revenue

A BILL

1 FOR AN ACT relating to sales and use taxes; to amend section  
2 77-2704.13, Reissue Revised Statutes of Nebraska; to  
3 change provisions relating to a sales and use tax  
4 exemption; to provide an operative date; and to repeal  
5 the original section.  
6 Be it enacted by the people of the State of Nebraska,

1           Section 1. Section 77-2704.13, Reissue Revised Statutes  
2 of Nebraska, is amended to read:

3           77-2704.13 Sales and use taxes shall not be imposed on  
4 the gross receipts from the sale, lease, or rental of and the  
5 storage, use, or other consumption in this state of:

6           (1) Sales and purchases of electricity, coal, gas, fuel  
7 oil, diesel fuel, tractor fuel, propane, gasoline, coke, nuclear  
8 fuel, and butane when more than fifty percent of the amount  
9 purchased is for use directly in irrigation or farming;

10          (2) Sales and purchases of such energy sources or fuels  
11 made before April 1, 1993, or after March 31, 1994, when more  
12 than fifty percent of the amount purchased is for use directly  
13 in processing, manufacturing, or refining, in the generation of  
14 electricity, or by any hospital. Processing includes all use of  
15 grain drying equipment in a commercial facility. The state tax paid  
16 on purchases of such energy sources or fuels during the period  
17 beginning April 1, 1993, and ending March 31, 1994, shall not  
18 exceed one hundred thousand dollars for any one location when more  
19 than fifty percent of the amount purchased is for use directly  
20 in processing, manufacturing, or refining or by any hospital. All  
21 purchases of such energy sources or fuels for use in the generation  
22 of electricity during the period beginning April 1, 1993, and  
23 ending March 31, 1994, shall be taxable. Any taxpayer who has paid  
24 the limit of state tax on such energy sources or fuels at one  
25 location shall be exempt on all other qualifying purchases at such

1 location. Such taxpayer shall be entitled to a refund of any amount  
2 of state or local option tax paid on an energy source or fuel  
3 exempt under this subdivision. A refund shall be made pursuant to  
4 section 77-2708; and

5 (3) Sales and purchases of water used for irrigation of  
6 agricultural lands and manufacturing purposes.

7 Sec. 2. This act becomes operative on October 1, 2009.

8 Sec. 3. Original section 77-2704.13, Reissue Revised  
9 Statutes of Nebraska, is repealed.